



USAID
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AFGHANISTAN

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FACT SHEET

Afghanistan Small and Medium Enterprise Development (ASMED) - Business Development Services

OVERVIEW

USAID's Afghanistan Small and Medium Enterprise Development (ASMED) project increases opportunities for trade, employment, and investment by improving private sector productivity. Through ASMED, USAID provides a wide range of business development services (BDS) to encourage the establishment and growth of small and medium enterprises (SMEs), which serve as major drivers of Afghanistan's economic development. ASMED supports SMEs in improved management practices, new investment and expansion, introduction of new products and services, and improvement of business productivity and profitability. BDS firms are defined as:

Entities providing services such as market research, insurance, advertising, marketing, labeling, financial management, logistics, consolidation and transport services, new production technologies, customer service, accounting, business plan development, loan applications, human resources, or arbitration on either a full or partial fee basis.

According to a value chain improvement approach to program interventions, ASMED focuses specifically on BDS providers that address bottlenecks in targeted sectors such as: carpets, marble, wool, cashmere, agribusiness, gemstones, and handicrafts. The growth of the BDS sector will further benefit the industries and sectors to which it adds value by improving enterprise-level profitability and productivity.

ACTIVITIES

- **Training:** Create and assist BDS firms to provide training in management, accounting, marketing, export promotion, and other support services to value chains to enable SME owners to establish market linkages and expand their businesses. Expanding the curricula and improving the quality of firms' training through direct technical assistance and training of trainer activities. Assisting these companies in becoming financially sustainable by stimulating demand for their services.
- **Consulting:** Build the capacity of BDS firms to provide market research, organizational development, cash flow and business plan preparation, strategic planning, and other consultancy services while demonstrating the value of these services to prospective clients.
- **Sector surveys:** Inventory available business services regionally and nationwide to identify strengths, weaknesses, opportunities, and threats to the development of the sector.

RESULTS

- Created the Afghan Consulting Companies Association, a national association of BDS firms to improve industry-wide coordination and growth, legislative advocacy, and information-sharing
- Provided business skill training to over 20,000 clients throughout the country
- Created 800 new SMEs
- Fostered the creation of an environment where more than 650 BDS firms now operate nationwide from an original 8 Kabul-based firms at the project's inception
- Supported more than 9,300 Afghan businesses and facilitated access to bank loans and equity financing to 103 of those companies

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